

**Proposed Changes to
Constitution and By-Laws
Of
U.P. Steam and Gas Engine Association, Inc.**

Article 111-Membership

Section 1: Qualifications

Section 2: Rights

Section 3: Voting

Article IV: Board of Directors

Section 2: Composition of the Board

10. Alternate

Article VI: Meetings

Section 1: Annual General Membership Meeting

Section 3: Notice of Meetings

CONSTITUTION AND BY-LAWS
OF THE U.P. STEAM AND GAS ENGINE ASSOCIATION, INC.

ARTICLE 1 - NAME

The legal name of the organization shall be known as the U.P. Steam and Gas Engine Association, Inc. (here within the Association)

ARTICLE 11 - PURPOSE

The purpose of the Association shall be to maintain and preserve, for the historical and educational purposes of the membership and the public, internal combustion and steam powered equipment and machinery, to provide a medium through which persons so interested may meet to exhibit, display, operate, observe, and become educated in all types and kinds of steam and combustion-powered equipment and machinery, to acquire by purchase, lease, or otherwise, and to erect, maintain, and hold any real estate or personal property appropriate to the accomplishment of the foregoing purposes, to do any and all things necessary and/or conducive to the preservation of and education in our American heritage.

This organization is organized and operated exclusively for the purposes described in Section 501(c) (3) of the Internal Revenue Code.

The Association is formed exclusively for purposes that are not for profit, and no part of the assets, income, or profits shall be capitalized upon for the benefit of its members, associates, directors, or officers.

ARTICLE 111 - MEMBERSHIP

Section 1: Qualifications

Membership in the Association is open to any person who has an interest in internal combustion and steam-powered equipment and machinery and an interest in pursuing the purpose of the Association. Persons shall be considered Members in good standing upon payment of annual dues. Any person who has reached **SIXTY FIVE** (65) years of age and has been a member in good standing for a period of the **PREVIOUS** ten (10) **CONSECUTIVE** years shall be awarded a lifetime membership.

ARTICLE 111- MEMBERSHIP (continued)

Section 2: Rights

Every Member shall have the right to participate in all Association activities, functions, and meetings. Members in good standing, along with their immediate family, receive free admission to the Annual Labor Day Weekend Show. **IMMEDIATE FAMILY SHALL BE DEFINED AS: CHILDREN SEVENTEEN (17) AND YOUNGER LIVING IN THE HOUSEHOLD OF ADULT MEMBER OR ANY ADULT CHILD WITH DISABILITIES LIVING WITH ADULT MEMBER.**

Section 3: Voting

Every Member is entitled to vote on all matters submitted to a vote at General Membership Meetings, unless otherwise provided in the Articles of Incorporation. Members must be present when the vote is called to exercise their voting rights. **MEMBERS MUST BE EIGHTEEN (18) TO VOTE AND MUST BE A PAID MEMBER IN THE YEAR WHICH A VOTE IS TAKING PLACE. MEMBERS PARTICIPATING IN MEETINGS VIA ELECTRONIC MEANS ARE NOT ELIGIBLE TO VOTE.**

WHEN A TIE OCCURS DURING THE ANNUAL MEETING FOR ELECTION OF BOARD MEMBERS, A RECOUNT OF VOTES SHALL BE CONDUCTED BY TWO BOARD MEMBERS NOT INVOLVED IN THE ELECTION. IF THE RECOUNT CONFIRMS IT IS TRULY A TIE VOTE, THEN THE TIE SHALL BE BROKEN BY THE TOSS OF A COIN. A BOARD MEMBER NOT INVOLVED IN THE ELECTION SHALL FLIP THE COIN.

ARTICLE IV - BOARD OF DIRECTORS

Section I: General Powers

The Board of Directors shall manage the business and affairs of the Association. The Board shall have all the usual powers of Directors of a business organization. The management and conduct of affairs shall be consistent with the Articles of Incorporation and the terms of the provisions of Section 501 of the Internal Revenue Code or any successor section thereof. The Board shall have the power to borrow money and issue its promissory note for the repayment thereof, except that the Board shall not have the power to mortgage or secure any property of the Association to secure any debt without first receiving approval by means of a resolution of the members at a duly-called meeting at which a quorum of the General Membership is present.

ARTICLE IV - BOARD OF DIRECTORS (CONTINUED)

THE BOARD SPEAKS THROUGH MOTIONS WHICH ARE VOTED, PASSED, AND RECORDED IN THE MINUTES. DISCUSSIONS, WHILE INFORMATIVE ARE NOT BINDING. INDIVIDUAL BOARD MEMBERS HAVE NO AUTHORITY OUTSIDE OF BOARD MEETINGS EXCEPT AS DELEGATED.

Section 2: Composition of the Board

The Board of Directors shall consist of the following:

1. President
2. Vice President
3. Secretary
4. Treasurer
5. Director
6. Director
7. Director
8. Director
9. Director
10. Alternate: **MAY MAKE AND SECOND MOTIONS AND MAY PARTICAPATE IN ALL DISCUSSIONS. WILL BE A NON-VOTING MEMBER WHEN A QUORAM OF THE BOARD IS PRESENT. IF NO QUORAM IS PRESENT AND THE ALTERNATE MAKES A QUORAM THEN THE ALTERNATE WILL BE A VOTING MEMBER.**

Section 3: Term of Office

All Directors shall be elected for a term or two (2) years. Three (3) Directors shall begin their terms in odd numbered years; Two (2) Directors and the Alternate shall begin their terms in even numbered years.

Section 4: Election of Directors

Directors shall be elected during the annual General Membership Meeting with no less than a quorum of fifteen (15) members in good standing, excluding current Officers and Board Members, present.

Nomination for Officers will be made from the floor. Nominated Members must be Members in good standing and, except for extenuating circumstances, must be present to accept the nomination.

ARTICLE IV - BOARD OF DIRECTORS (CONTINUED)

Section 5: Removal of Directors

Any Director may be removed from office at any time, with or without cause, by vote of a quorum of the Membership. The vacancy will be filled by the Alternate for the un-expired portion of the term. Any Director who shall without cause absent themselves from three (3) consecutive Board Meetings shall be considered to have resigned his/her office.

Section 6: Appointment of Officers

The President, Vice President, Secretary and Treasurer shall be elected by the General Membership. However, the Board of Directors shall have the power to appoint such subordinate Officers, Employees, or Agents, as may be necessary, in their judgment, to conduct the business of the Association and designate their title and compensation, if any.

Section 7: Protection of Directors

Except as required by law, there shall be no personal liability on the part of Directors of the Association, and the Association shall indemnify such directors as provided in the bylaws.

Section 8: Compensation of Directors

Directors shall not receive compensation for the performance of their duties on behalf of the Association, except that Directors may be reimbursed for actual expenses incurred on behalf of the Association, subject to approval by a majority of the members of the Board of Directors present at any regular or special meeting.

ARTICLE V OFFICERS

Section 1: Number

The Officers of the Association shall be four (4); a President, a Vice President, a Treasurer and a Secretary.

Section 2: Term of Office

All Officers shall be elected for a term of two (2) years. The President and Secretary shall begin their terms in odd numbered years, the Vice President and Treasurer shall begin their terms in even numbered years.

ARTICLE V OFFICERS (CONTINUED)

Section 3: Election of Officers

Officers will be elected during the annual General Membership Meeting with no less than a quorum of fifteen (15) members in good standing, excluding current Officers and Board Members, present.

Nominations for Officers will be made from the floor. Nominated Members must be Members in good standing and, except for extenuating circumstances, must be present to accept the nomination.

Section 4: Removal of Officers

Any Officer may be removed from office at any time, with or without cause, by vote of a quorum of the Membership. The Board of Directors will fill the vacancy for the unexpired portion of the term. Any Officer who shall without cause absent themselves from three (3) consecutive Board Meetings shall be considered to have resigned his/her office.

Section 5: President

The President shall be the Chief Executive Officer of the Association, and in the recess of the Board of Directors shall have control of the day-to-day business operations and affairs, subject, however, to the right of the Board of Directors to delegate any specific power except such as may be by statute exclusively conferred upon the President, to any other Officer or Officers of the Association. The President shall serve as Chairperson of the Board of Directors and shall also preside at all General Membership Meetings.

Section 6: Vice President

The Vice President shall be the Assistant Chief Executive Officer of the Association. In the event the office of President shall be vacant due to death or resignation, or in the absence of the President, or his/her inability to discharge the duties of office, such duties shall, for the time being, rest upon the Vice President, who shall perform such other acts as the Board of Directors for the President may, from time to time, authorize him/her to do.

Section 7: Secretary

The Secretary shall keep the minutes of all meetings of the General Membership and the Board of Directors in books provided for the purpose, he/she shall attend to the giving and receiving of all notices of the Association; he/she shall have charge of the records as the Board of Directors may direct, all of which shall, at all reasonable times, be open to

the examination of any Director upon application to the Secretary; and in addition, such other duties as may be delegated by the Board of Directors and/or the President.

ARTICLE V OFFICERS (CONTINUED)

Section 8: Treasurer

The Treasurer shall be bonded, bond to be paid by the Association, in such sum and with such surety or sureties as the Board of Directors, shall determine. He/she shall have charge and custody of and be responsible for all funds and securities of the Association; receive and give receipts for moneys due and payable to the Association and deposit all such moneys in the name of the Association in such banks, trust companies, or other depositories as shall be selected in accordance with the provisions of this Article of these by-laws; and in general, perform all the duties as may be assigned by the President or the Board of Directors. The Association's financial records shall be subject to independent audit on a yearly basis.

Section 9: Protection of Officers

Except as required by law, there shall be no personal liability on the part of Officers of the Association, and the Association shall indemnify such directors as provided in the by-laws.

Section 10: Compensation of Officers

Officers shall not receive compensation for the performance of their duties on behalf of the Association; except that Officers may be reimbursed for actual expenses incurred on behalf of the Association, subject to approval by a majority of the members of the Board of Directors present at any regular or special meeting.

ARTICLE VI - MEETINGS

Section I. Annual General Membership Meeting

A meeting of the General Membership shall be held each year during the **MONTH OF** December to elect Officers and Directors and to transact such other business as may be necessary. **THE ANNUAL MEMBERSHIP MEETING MAY BE POSTPONED DUE TO UNFORSEEN CIRCUMSTANCES. IN THIS EVENT THE CURRENT MEMBERS WILL CONTINUE TO SERVE UNTIL A MEETING MAY BE CALLED.** At this meeting, the President shall preside and give a report of the Association's standing for the preceding year. A yearly financial audit and report will also be presented.

Section 2: Board of Directors Meetings

The President shall serve as Chairperson and preside over all Board meetings. The President will call a regular schedule of meetings.

ARTICLE VI – MEETINGS (CONTINUED)

Section 3: Notice of Meetings

Written notice (**BY POSTAL SERVICE OR ELECTRONIC MEANS**) of the time, place, and tentative agenda of any regular meeting shall be given to each member by not less than ten (10) days prior to the meeting. When mailed, notice shall be deemed given by depositing the same in a Post Office box, postage prepaid, and addressed to the last-known address of each member. **WHEN SENT VIA ELECTRONIC MEANS IT WILL BE DEEMED AS DELIVERED.**

Section 4: Quorum for General Membership Meetings

A quorum for any General Membership meetings will consist of no less than fifteen (15) non-office holding Members in good standing.

Section 5: Quorum for Board Meetings

A majority of the members of the Board of Directors than in office (five (5) or more), constitutes a quorum for the transaction of business. The vote of the majority of Directors present in a meeting at which a quorum is present constitutes the action of the Board.

ARTICLE VII - COMMITTEES

The President shall appoint, with the approval of the Board of Directors, such special committees as may be required to assist the Board.

ARTICLE VIII - GIFTS

The Board of Directors is empowered to accept donations of money, personal property, or real estate by way of deed, gift, bequest, or otherwise hold title thereto for the benefit and purpose of the Association, and the use said property in accordance with the terms of the deed, gift, or bequest of such property, if any. The same shall be used in a manner consistent with the purposes of the Association and as a majority of the Board of Directors shall direct.

ARTICLE IX - AMENDMENTS

These by-laws may be amended in part or in whole only by a majority vote of a General membership quorum at any regular or special meetings of the General Membership, but no amendment shall be in order at any meeting unless written notice of the proposed amendment is included in the notice of meeting as provided in these by-laws.

ARTICLE X INDEMNIFICATION

Each Director and officer of the Association, whether elected or appointed, shall discharge the duties of his/her position in good faith and with that degree of diligence, care, and skill which an ordinary prudent person would exercise under similar circumstances in a like position.

In the event of any threatened or actual legal action against any Director and/or Officer of the Association in the discharge of his/her duties for the Association, the Board of Directors shall have the power to indemnify that individual by reason of the fact that he/she is or was a Director, Officer, Employee, or agent of the Association.

The indemnification provided herein continues as to any Director, Officer, Employee, or Agent and shall inure to the benefit of his/her heirs, executors, and administrators.

Any indemnification shall be made by the Association only as authorized in the specific case and upon a determination that indemnification of the Director, Officer, Employee or Agent of the Association is proper in the circumstances because he/she has met the applicable standards of conduct set forth above. Such determination shall be made by a vote of the Board of Directors.

No Director or Officer shall vote on indemnification for any legal action brought against him/her personally. If there is not a quorum of disinterested Board Members, independent legal counsel shall advise on indemnification.

The Board of Directors shall have the power to purchase insurance on behalf of any person who is or was a Director, Officer, Employee, or Agent of the Association against any liability asserted against him/her arising out of such status.

ARTICLE XI – DISSOLUTION

The General Membership may, by vote of a majority of a General Membership Quorum, direct that the Association be liquidated or dissolved, and in such case, said liquidations or dissolution shall be governed by the terms of Article XXII of the Articles of Incorporation. Liquidation and dissolution may also occur as provided by the laws of the United States of America and the State of Michigan, and in such event, such liquidations and dissolution shall be governed by the terms and provisions of Article XII of the Articles of Incorporation.

In the event of dissolution, the Museum and all items donated to, purchased by, or relating to the Museum, except those owned and displayed by individual members, shall be offered to the State of Michigan for the purpose of maintaining the Museum for the benefit of the general public. All other assets, both real and personal shall be sold at auction and the proceeds used to benefit the Museum and its operation.

ARTICLE XI – DISSOLUTION (CONTINUED)

If the State of Michigan should decline to accept, maintain, and operate the Museum as provided above, all the Association's assets, both real and personal shall be sold at auction and the proceeds placed in a trust fund to benefit such tax-exempt organizations as shall be determined at the time of dissolution. Organizations chosen shall be qualified as tax exempt under Section 501 (c) (3) of the Internal Revenue Code or the corresponding provisions of a future United States Internal Revenue Law.

In no event, shall the proceeds of dissolution be used to the benefit of any Member.

ARTICLE XII - EMERGENCY POWERS

In the event of the simultaneous death and/or resignation of both the President and the Vice President, the Secretary shall be empowered to call a meeting of the Board of Directors to replace both Officers, subject to a vote of the General Membership.